

**CITY OF ROSE HILL, KANSAS**

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**FINANCIAL STATEMENT**

**WITH**

**INDEPENDENT AUDITOR'S REPORT**

**YEAR ENDED DECEMBER 31, 2014**

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**George, Bowerman & Noel, P.A.**  
*Certified Public Accountants*

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**George, Bowerman & Noel, P.A.**

*Certified Public Accountants  
Business Consultants  
Tax Advisors*

Epic Center • 301 N. Main, Suite 1350 • Wichita, Kansas 67202 • Telephone (316) 262-6277 • Fax (316) 265-6150

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**INDEPENDENT AUDITOR'S REPORT**

The Honorable Mayor and City Council  
City of Rose Hill, Kansas

**Report on the Financial Statement**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of the City of Rose Hill, Kansas, a Municipal Financial Reporting Entity, as of and for the year ended December 31, 2014 and the related notes to the financial statement.

**Management's Responsibility for the Financial Statement**

Management is responsible for the preparation and fair presentation of the financial statement in accordance with the Kansas Municipal Audit and Accounting Guide as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the Kansas Municipal Audit and Accounting Guide. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Rose Hill, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Rose Hill, Kansas as of December 31, 2014, or changes in financial position and cash flows thereof for the year then ended.

### **Opinion on Regulatory Basis of Accounting**

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Rose Hill, Kansas as of December 31, 2014, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the Kansas Municipal Audit and Accounting Guide described in Note 1.

### **Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures—actual and budget, individual fund schedules of regulatory basis receipts and expenditures—actual and budget, summary schedule of regulatory basis receipts and disbursements—agency funds (Schedules 1, 2, 3 and 4 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the Kansas Municipal Audit and Accounting Guide. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 actual columns presented in the individual fund schedules of receipts and expenditures—actual and budget, (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2013 basic financial statement upon which other auditors rendered an unqualified opinion dated June 11, 2014. The 2013 basic financial statement and their accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In the opinion of other auditors dated June 11, 2014, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

*George Bowerman & Noel, P.A.*

Wichita, Kansas  
August 13, 2015

# CITY OF ROSE HILL, KANSAS

## Summary Statement of Receipts, Expenditures and Unencumbered Cash Regulatory Basis For the Year Ended December 31, 2014

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add	
					Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 329,569	\$ 1,285,535	\$ 1,315,275	\$ 299,829	\$ 162,824	\$ 462,653
Special Purpose Funds:						
Employee Benefits	67,854	258,593	300,643	25,804	6,272	32,076
Library	4,817	109,125	108,198	5,744	115	5,859
Special Streets & Highway	23,555	123,868	138,461	8,962	-	8,962
Special Parks and Recreation	5,998	386	-	6,384	5,159	11,543
Street Sales Tax	659,904	270,912	299,539	631,277	5,708	636,985
Bond Refunding	13,052	-	13,052	-	-	-
Equipment Reserve	8,692	5,000	522	13,170	-	13,170
Capital Improvement Reserve	8,914	7,500	14,700	1,714	-	1,714
Veterans Memorial Grant	(2,438)	2,438	-	-	-	-
Bond and Interest Fund:						
Bond and Interest	80,826	965,045	933,461	112,410	210	112,620
Capital Project Funds:						
Sunrise Addition	87,964	-	-	87,964	-	87,964
Berlin Drainage Project	4,004	6	-	4,010	-	4,010
Sewer Lift Upgrades	215	-	-	215	-	215
CFAP Fishery Grant	(3,718)	3,718	-	-	-	-
School Street Pond Bench Project	-	594	594	-	-	-
Tanglewood/Orange Court Streets	-	290,741	290,741	-	7,444	7,444
Business Funds:						
Water Utility	407,605	850,811	892,272	366,144	28,821	394,965
Water Reserve	114,322	-	13,774	100,548	-	100,548
Sewer Utility	849,078	1,040,237	1,159,437	729,878	34,018	763,896
Sewer Reserve	198,957	50,000	140,515	108,442	73,254	181,696
Total Primary Government (Excluding Agency Funds)	2,859,170	5,264,509	5,621,184	2,502,495	323,825	2,826,320

# CITY OF ROSE HILL, KANSAS

## Summary Statement of Receipts, Expenditures and Unencumbered Cash Regulatory Basis For the Year Ended December 31, 2014

Fund	Beginning Unencumbered Cash Balance	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add	
					Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Related Municipal Entities:						
Rose Hill Public Library	\$ 81,643	\$ 118,324	\$ 105,500	\$ 94,467	\$ -	\$ 94,467
Rose Hill Public Building Commission	-	95,875	95,875	-	-	-
Total Reporting Entity (Excluding Agency Funds)	\$ 2,940,813	\$ 5,478,708	\$ 5,822,559	\$ 2,596,962	\$ 323,825	\$ 2,920,787

### Composition of Cash:

Primary Government:	
Rose Hill Bank - Checking Account	\$ 1,917,470
Rose Hill Bank - Certificates of Deposit	586,470
Emprise Bank - Certificates of Deposit	323,502
Petty Cash	893
Total Primary Government	2,828,335
Less: Agency Funds	(2,015)
Total Primary Government (excluding agency funds)	2,826,320
Related Municipal Entities - Rose Hill Public Library:	
Rose Hill Bank - General Checking	13,212
Rose Hill Bank - Capital Improvement Checking	81,255
Total Rose Hill Public Library	94,467
Total Reporting Entity (excluding agency funds)	\$ 2,920,787

The accompanying notes are an integral part of the financial statement.

**CITY OF ROSE HILL, KANSAS**  
**NOTES TO FINANCIAL STATEMENT**

**December 31, 2014**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES**

**Municipal Financial Reporting Entity**

The City of Rose Hill, Kansas is incorporated under the laws of the State of Kansas. The City operates under a Mayor-Council form of City government consisting of an elected Mayor and five council persons and provides services to the citizens in the areas of highways and streets, water service, wastewater treatment, public improvement, public safety, planning and zoning, recreation, and general administrative services. The City has the following related municipal entities:

*Rose Hill Public Library* A seven-member board appointed by the City Council governs the Rose Hill Public Library Board. The Rose Hill Public Library Board operates the public library in the City. The Library Board may not purchase or lease a site or erect a building for use of the library without the approval of the City Council. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special purpose fund of the City. The Library Board also receives funding through state assistance programs and donations from the public. The Rose Hill Public Library does not issue separate audited financial statements.

*Rose Hill Public Building Commission* A six-member board appointed by the City Council governs the Rose Hill Public Building Commission. Although it is legally separate from the City, the Rose Hill Public Building Commission is reported as a related municipal entity because its sole purpose is to finance and construct the City's public buildings.

**Regulatory Basis Fund Types**

The accounts of the City are organized and operated on the basis of funds, each of which is defined as an accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

In accordance with state statutes, several different types of funds are used to record the City's financial transactions. For financial reporting, they have been grouped and are presented in this report as follows:

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.



## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Special Purpose funds – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specific purposes.

Bond and Interest fund – used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital Project funds – used to account for the debt proceeds and other financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business funds – funds financed in whole or in part by fees charged to users of the goods or services.

Agency funds – funds used to report assets held by the City in a purely custodial capacity.

### **Regulatory basis of accounting and departure from accounting principles generally accepted in the United States of America**

The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenue and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A.75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

### **Budgetary principles**

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.

4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no budget amendments during 2014.

Kansas statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year end.

A legal operating budget is not required for capital project funds, utility reserve funds and the following special purpose funds:

Bond Refunding Fund  
Capital Improvement Reserve Fund

Equipment Reserve Fund  
Veterans Memorial Grant Fund

Spending in funds which are not subject to the legal annual operating budget requirements is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

### **Compensated absences**

The City permits employees to accumulate earned but unused vacation and sick pay benefits.

## **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Vacation – All employees of the City, except temporary and part-time employees, accumulate vacation leave at a rate of 6.67 hours per month during their first five years of employment. The rate of accumulation increases to 8 hours per month after five years of employment and 12 hours per month after ten years of employment. An employee can carry over to a new year only that amount of vacation leave that was accumulated during the year. Employees are paid for all accumulated vacation leave, at their current wage rate, upon termination of employment.

Sick Leave – All employees except temporary and part-time employees accumulate sick leave at a rate of 8 hours per month. Sick leave can be accumulated up to 720 hours. Sick leave is paid out upon termination, with two weeks notice, at the rate of one-fourth, up to 50 hours of credited sick leave for employees with at least three years of service. Upon retirement, with six months notice and five years of service, one-half, up to 100 hours of credited sick leave, will be paid out. Upon retirement, with six months notice and ten years of service, one-half, up to 200 hours of credited sick leave, will be paid out. The cost of accumulated vacation and sick leave are recorded in the financial statements at the time payments are made to employees.

### **Pension plan**

All full-time employees are members of the State of Kansas Public Employees' Retirement System (KPERs), which is a cost sharing multi-employer statewide pension plan. The City's policy is to fund all pension costs as accrued; such costs to be funded are determined annually by the system's actuary.

### **Concentration of credit risk**

The City routinely grants credit to utility customers, in accordance with applicable utility rate ordinances, all of which are located within the environs of the City. The City does not require security deposits for the credit granted to certain utility customers, however, tap fees or hook-up charges are assessed by the City when the utility service is provided.

### **Risk management**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

### **Subsequent Events**

Subsequent events have been evaluated through August 13, 2015, which is the date the financial statement was available to be issued.

## **2. DEPOSITS AND INVESTMENTS**

K.S.A. 9-1401 establishes the depositories, which may be used by governmental entities in Kansas. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of Federal Depository Insurance Corporation coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

### **Concentration of credit risk**

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

### **Custodial credit risk – deposits**

Custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the state of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during "peak periods" when required coverage is 50%. All deposits were legally secured at December 31, 2014.

At December 31, 2014, the carrying amount of the City's deposits was \$2,827,442, with the bank balances of such accounts being \$2,827,800. Of the bank balances, \$500,000 was covered by federal depository insurance and the remaining balance of \$2,327,800 was collateralized with securities held by the pledging financial institution's agent in the City's name. The fair value of those pledged securities held by the City's custodial investment agencies was \$4,186,473 at December 31, 2014.

At December 31, 2014, the carrying amount of the Library's deposits was \$94,467, with the bank balances of such accounts being \$116,595. The entire bank balances were covered by federal depository insurance.

## **3. RECLASSIFICATIONS AND COMPARATIVE DATA**

The amounts shown for 2013 in the accompanying financial statement are included, where practicable, only to provide a basis for comparison with 2014 and are not intended to present all information necessary for a fair presentation in accordance with the regulatory

### **3. RECLASSIFICATIONS AND COMPARATIVE DATA (continued)**

basis of presentation. Certain amounts for 2013 have been reclassified to conform to the presentation of similar amounts for 2014.

### **4. PENSION PLAN**

#### **Plan description**

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing multiple employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 South Kansas, Suite 100, Topeka, Kansas 66603) or by calling 1-888-275-5737.

#### **Funding policy**

K.S.A. 74-4919 and K.S.A. 74-49,210 establishes the KPERS member-employee contribution rates. Effective July 1, 2009 KPERS has two benefit structures and funding depends on whether the employee is a Tier 1 or Tier 2 member. Tier 1 members are active and contributing members hired before July 1, 2009. Tier 2 members were first employed in a covered position on or after July 1, 2009. Kansas law establishes the KPERS member-employee contribution rate at 5% of covered salary for Tier 1 members and at 6% of covered salary for Tier 2 members. The City collects and remits member-employee contributions according to the provisions of section 414(h) of the Internal Revenue Code. Kansas law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. Kansas law sets a limitation on annual increases in the employer contribution rates. The employer rate established by statute for the period from January 1, 2014 to December 31, 2014 was 9.69%. Included in this rate is the contribution for the Group Death and Disability Insurance of 0.85%. The City's contributions to KPERS for the year ended December 31, 2014 was \$101,886, equal to the statutory required contributions for the year.

### **5. SPECIAL ASSESSMENTS**

Projects, financed in part by special assessments, are financed through general obligation bonds of the City and are retired from the Bond and Interest Fund. Special assessments paid prior to the issuance of the bonds are recorded as revenue in the appropriate project fund. Special assessments received after the issuance of bonds are recorded in the Bond and Interest Fund.

## 6. LONG-TERM DEBT

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2014:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
<u>General Obligation Bonds</u>									
General Obligation Bonds, Series 1999	4.60-6.00	08-01-99	\$1,531,000	10-01-14	\$ 70,000	\$ --	\$ 70,000	\$ --	\$ 3,675
General Obligation Bonds, Series 2004-2	4.25-5.00	07-01-04	437,000	10-01-19	215,000	--	30,000	185,000	9,708
General Obligation Bonds, Series 2005-1	0.00-0.00	01-15-05	252,000	01-15-14	28,000	--	28,000	--	175
General Obligation Bonds, Series 2006	3.50-5.45	02-01-06	590,000	10-01-21	370,000	--	40,000	330,000	14,780
General Obligation Bonds, Series 2008	3.75-4.75	07-01-08	762,000	10-01-23	570,000	--	45,000	525,000	23,226
General Obligation Bonds, Series 2009	4.15-5.90	08-01-09	\$455,000	10-01-24	365,000	--	25,000	340,000	17,217
General Obligation Water Utility System Refunding Bonds, Series 2009-2	1.60-3.00	12-01-09	835,000	09-01-15	295,000	--	145,000	150,000	8,488
General Obligation Taxable Bonds, Series 2009-3	5.75-6.75	12-01-09	460,000	10-01-30	430,000	--	15,000	415,000	27,675
General Obligation Bonds, Series 2010	2.75-5.25	11-01-10	956,000	10-01-31	925,000	--	35,000	890,000	34,925
General Obligation Bonds, Series 2011	3.25-4.25	04-15-11	575,000	10-01-26	525,000	--	30,000	495,000	20,913
General Obligation Bonds, Series 2012	2.00-5.00	03-01-12	460,000	10-01-32	455,000	--	15,000	440,000	15,397
General Obligation Refunding Bonds, Series 2013	0.80-2.25	08-15-13	975,000	10-01-19	975,000	--	190,000	785,000	15,597
General Obligation Bonds, Series 2014	2.25-4.00	12-01-14	280,000	10-01-30	--	280,000	--	280,000	--
Total General Obligation Bonds					5,223,000	280,000	668,000	4,835,000	191,776
<u>Temporary Notes</u>									
Temporary Improvement Notes, Series 2012-1	1.86-1.86	02-01-12	1,205,000	07-15-16	1,205,000	--	--	1,205,000	--

## 6. LONG-TERM DEBT (continued)

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
<u>Revolving Loans</u>									
KWPCRF Project No. C20-1228-01	3.60-3.60	11-30-96	667,047	09-01-17	\$ 165,183	\$ —	\$ 39,136	\$ 126,047	\$ 5,535
KWPCRF Project No. C20-1630-01	2.86-2.86	05-01-03	814,460	09-01-24	447,969	—	35,192	412,777	12,562
KWPCRF Project No. C20-1720-01	2.50-2.50	10-25-07	6,055,074	09-01-29	4,960,921	50,518	265,682	4,745,757	135,976
TRF Project No. TR 0007	3.62-3.62	12-20-04	562,925	08-21-24	368,902	—	28,112	340,790	14,277
TRF Project No. TR 0083	3.74-3.74	09-02-08	400,000	08-01-18	237,280	—	43,836	193,444	9,467
TRF Project No. TR 0123	3.41-3.41	12-7-09	690,120	08-01-24	<u>515,480</u>	<u>—</u>	<u>38,750</u>	<u>476,730</u>	<u>18,867</u>
Total Revolving Loans					<u>6,695,735</u>	<u>50,518</u>	<u>450,708</u>	<u>6,295,545</u>	<u>196,684</u>
<u>Lease Purchase Agreements</u>									
Konica Copier	6.36	01-31-12	12,984	01-20-17	8,694	—	2,352	6,342	433
Grasshopper Mowers	3.29	04-30-12	16,812	04-30-14	8,542	—	8,542	—	281
2013 Police Vehicles	1.99	01-10-13	46,676	01-10-17	36,969	—	8,911	28,058	796
2014 Police Vehicles	3.24	09-30-13	44,483	09-30-17	34,993	—	8,342	26,651	1,149
Backhoe Loader	3.43	12-06-13	81,371	09-06-18	<u>76,958</u>	<u>—</u>	<u>15,296</u>	<u>61,662</u>	<u>2,358</u>
Total Lease Purchase Agreements					<u>166,156</u>	<u>—</u>	<u>43,443</u>	<u>122,713</u>	<u>5,017</u>
Total Long-Term Debt - City					13,289,891	330,518	1,162,151	12,458,258	393,477
<u>Rose Hill Public Building Commission:</u>									
Public Building Commission Revenue Bonds Series 2013	0.90-3.40	05-01-03	840,000	10-01-23	<u>840,000</u>	<u>—</u>	<u>75,000</u>	<u>765,000</u>	<u>20,875</u>
Total Long-Term Debt					<u>\$14,129,891</u>	<u>330,518</u>	<u>\$1,237,151</u>	<u>\$13,223,258</u>	<u>\$ 414,352</u>

### General obligation bonds

General obligation bonds payable consist of serial and term bonds to be retired through calendar year 2032. Annual debt service requirements to maturity for general obligation bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 590,000	\$ 170,196	\$ 760,196
2016	455,000	168,679	623,679
2017	485,000	146,916	631,916
2018	420,000	131,431	551,431
2019	435,000	117,484	552,484
2020	295,000	102,346	397,346
2021	300,000	90,619	390,619
2022	270,000	78,468	348,468
2023	275,000	67,345	342,345
2024	210,000	50,660	260,660
2025	180,000	47,100	227,100

## 6. LONG-TERM DEBT (continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 185,000	\$ 39,512	\$ 224,512
2027	135,000	31,625	166,625
2028	150,000	25,788	175,788
2029	155,000	19,162	174,162
2030	160,000	12,338	172,338
2031	100,000	5,237	105,237
2032	35,000	1,313	36,313
	<u>\$ 4,835,000</u>	<u>\$ 1,306,219</u>	<u>\$ 6,141,219</u>

### Temporary notes payable

Kansas statutes permit the issuance of temporary notes to finance certain capital improvement projects which will be refinanced with general obligation bonds or paid through other resources available to the City. Prior to the issuance of the temporary notes, the governing body must take the necessary legal steps to authorize the issuance of general obligation bonds. Temporary notes issued may not exceed the aggregate amount of bonds authorized, are interest bearing and have a maturity date not later than four years from the date of issuance.

### Revolving Loans

Wastewater revolving loan notes payable – The City has entered into loan agreements under the Kansas Water Pollution Control Revolving Loan Fund (KWPCRF), administered by the Kansas Department of Health and Environment (KDHE), for wastewater collection and treatment facility improvements in the City. The debt service requirements of the notes payable to KDHE are being serviced through user fees generated by the Sewer Utility Fund.

The revolving loans will be retired through calendar year 2029. At December 31, 2014 the notes consisted of the following:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 347,174	\$ 144,340	\$ 491,514
2016	357,161	134,353	491,514
2017	367,438	124,076	491,514
2018	332,944	113,899	446,843
2019	342,207	104,636	446,843
2020	351,727	95,116	446,843
2021	361,513	85,330	446,843
2022	371,571	75,272	446,843
2023	381,908	64,935	446,843
2024	392,534	54,309	446,843
2025	355,358	43,730	399,088



## 6. LONG-TERM DEBT (continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	\$ 365,198	\$ 33,890	\$ 399,088
2027	375,310	23,778	399,088
2028	385,702	13,386	399,088
2029	<u>196,836</u>	<u>2,706</u>	<u>199,542</u>
	<u>\$ 5,284,581</u>	<u>\$ 1,113,756</u>	<u>\$ 6,398,337</u>

Transportation revolving loan notes payable – The City has entered into loan agreements under the Kansas Transportation Revolving Fund (TRF), administered by the Kansas Department of Transportation (KDOT), for road improvements in the City. The debt service requirements of the notes payable to KDOT are being serviced through street sales tax receipts.

The revolving loans will be retired through calendar year 2029. At December 31, 2014 the notes consisted of the following:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 114,954	\$ 38,355	\$ 153,309
2016	119,373	33,936	153,309
2017	123,962	29,347	153,309
2018	128,624	24,581	153,205
2019	80,370	19,636	100,006
2020	83,383	16,623	100,006
2021	86,508	13,498	100,006
2022	89,752	10,254	100,006
2023	93,117	6,889	100,006
2024	<u>90,921</u>	<u>3,398</u>	<u>94,319</u>
	<u>\$ 1,010,964</u>	<u>\$ 196,517</u>	<u>\$ 1,207,481</u>

### Lease purchase agreements

The City has entered into lease purchase agreements for financing certain equipment and building facilities.

## 6. LONG-TERM DEBT (continued)

The annual requirements to amortize the capital lease obligations outstanding at December 31, 2014, including interest payments, are as follows:

<u>Year ending December 31,</u>	
2015	\$ 40,142
2016	39,889
2017	37,104
2018	<u>13,003</u>
Total minimum lease payments	130,138
Less amounts representing interest	<u>(7,425)</u>
Present value of lease payments	<u>\$ 122,713</u>

### Public Building Commission Revenue Bonds

During 2003, the Rose Hill Public Building Commission (Commission) issued \$1,315,000 of Improvement Revenue Bonds, the proceeds of which were used to construct a new City administration and police facility. The bonds were refunded during 2013. The agreement requires the Commission to lease the facility back to the City of Rose Hill for an amount necessary to meet the debt service requirement on the outstanding revenue bonds.

Debt service requirements to maturity for outstanding Commission bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015	\$ 75,000	\$ 17,835	\$ 92,835
2016	80,000	16,935	96,935
2017	80,000	15,735	95,735
2018	80,000	14,375	94,375
2019	85,000	12,775	97,775
2020	85,000	10,820	95,820
2021	90,000	8,695	98,695
2022	95,000	6,175	101,175
2023	<u>95,000</u>	<u>3,230</u>	<u>98,230</u>
	<u>\$ 765,000</u>	<u>\$ 106,575</u>	<u>\$ 871,575</u>

## **7. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS**

### **Other Post Employment Benefits**

As provided by K.S.A. 12-5040, the City is required to allow retirees to participate in its group health insurance plan. While each retiree is required to pay the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy has not been quantified in the financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and their eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid entirely by the insured and there is no cost to the City under this program.

### **Compensated Absences**

The following is a summary of the estimated changes in the compensated absence obligations of the City for the year ended December 31, 2014:

Balance, beginning of year	\$ 69,994
Additions	88,016
Reductions/payments	<u>(86,786)</u>
Balance, end of year	<u>\$ 71,224</u>

## **8. PURCHASE COMMITMENTS**

In July 1981 the City entered into a forty-year agreement to purchase its water supply from the City of Wichita, Kansas.

## **9. COMMITMENTS AND CONTINGENCIES**

### **Grant Programs**

The City receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. It is management's opinion that any liability for reimbursement, which may arise as the result of these audits, would not be material to the City's financial statement.

## 10. INTERFUND TRANSFERS

A summary of interfund transfers by individual fund for 2014 is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ —	\$ 18,655
Bond and Interest	301,529	—
Sewer Equipment Replacement Reserve	50,000	—
Water Utility	—	181,000
Sewer Utility	—	151,000
Capital Improvement Reserve	7,500	—
Equipment Reserve	5,000	—
Veterans Memorial Grant	2,437	—
CFAP Fishery Grant	3,718	—
Bond Refunding	—	13,052
Tanglewood/Orange Court Streets	—	6,477
	<u>\$ 370,184</u>	<u>\$ 370,184</u>

## 11. CAPITAL PROJECT AUTHORIZATIONS

At December 31, 2014 capital project authorizations compared with project expenditures from inception are as follows:

	<u>Project authorizations</u>	<u>Expenditures Project inception To December 31, 2014</u>
Sunrise Addition	\$ 1,232,000	\$ 1,117,348
Berlin Drainage Project	953,883	950,013
Sewer Lift Upgrade	50,303	50,303
School Street Pond Bench Project	594	594
Tanglewood/Orange Court Streets	290,000	284,264

**REGULATORY – REQUIRED**  
**SUPPLEMENTARY INFORMATION**

# CITY OF ROSE HILL, KANSAS

Schedule - 1 -

## Summary of Expenditures – Actual and Budget

### Regulatory Basis

For the Year Ended December 31, 2014

Department	Certified Budget	Adjustments for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance favorable (unfavorable)
General Fund	\$ 1,303,465	\$ 23,212	\$ 1,326,677	\$ 1,315,275	\$ 11,402
Special Purpose Funds:					
Employee Benefits	327,752	—	327,752	300,643	27,109
Library	108,744	—	108,744	108,198	546
Special Streets and Highway	140,360	—	140,360	138,461	1,899
Special Parks and Recreation	3,000	—	3,000	—	3,000
Street Sales Tax	300,037	—	300,037	299,539	498
Bond and Interest Fund:					
Bond and Interest	985,120	—	985,120	933,461	51,659
Business Funds:					
Water Utility	963,350	—	963,350	892,272	71,078
Sewer Utility	1,204,687	—	1,204,687	1,159,437	45,250

# CITY OF ROSE HILL, KANSAS

## Schedule of Receipts and Expenditures – Actual and Budget

### Regulatory Basis

For the Year Ended December 31, 2014

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

### GENERAL FUND

	Year ended December 31,			
	2014			Variance favorable (unfavorable)
	2013 Actual	Actual	Budget	
Cash Receipts:				
Property Taxes	\$ 659,443	\$ 652,515	\$ 654,396	\$ (1,881)
Delinquent Property Taxes	14,240	13,433	4,000	9,433
Motor Vehicle Taxes	93,841	111,289	108,936	2,353
Liquor Taxes	—	—	625	(625)
Franchise Fees	204,279	245,963	175,000	70,963
Court Costs	8,426	7,201	8,500	(1,299)
Licenses, Permits and Fees	37,833	77,995	16,500	61,495
Fines and Forfeitures	40,770	36,071	47,000	(10,929)
Rents	25,422	31,229	31,000	229
Interest Income	2,198	2,208	4,000	(1,792)
Reimbursed Expenditures	99,588	98,172	74,960	23,212
Miscellaneous	2,507	9,459	1,505	7,954
Transfers from Other Funds	3,064	—	—	—
Total Cash Receipts	1,191,611	1,285,535	\$ 1,126,422	\$ 159,113
Expenditures:				
Administration	\$ 284,376	\$ 312,773	\$ 300,714	\$ (12,059)
Police	554,457	600,930	601,700	770
Streets	74,537	68,835	87,100	18,265
Parks	146,735	143,234	155,200	11,966
Planning	64,820	79,555	67,000	(12,555)
Other	74,872	91,293	79,251	(12,042)
Transfers to Other Funds	12,500	18,655	12,500	(6,155)
	1,212,297	1,315,275	1,303,465	(11,810)
Adjustments for qualifying budget credits	—	—	23,212	23,212
Total Expenditures	1,212,297	1,315,275	\$ 1,326,677	\$ 11,402
Expenditures Over Cash Receipts	(20,686)	(29,740)		
Unencumbered Cash, Beginning	350,255	329,569	\$ 177,043	\$ 152,526
Unencumbered Cash, Ending	\$ 329,569	\$ 299,829		

# CITY OF ROSE HILL, KANSAS

## Schedule of Receipts and Expenditures – Actual and Budget

### Regulatory Basis

For the Year Ended December 31, 2014

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

### EMPLOYEE BENEFITS FUND

	Year ended December 31,			Variance favorable (unfavorable)
	2013 Actual	2014 Actual	2014 Budget	
Cash Receipts:				
Property Taxes	\$ 168,496	\$ 212,931	\$ 213,539	\$ (608)
Delinquent Property Taxes	5,563	4,292	–	4,292
Motor Vehicle Taxes	42,674	29,010	27,836	1,174
Reimbursed Expenditures	18,808	12,360	20,825	(8,465)
Total Cash Receipts	235,541	258,593	\$ 262,200	\$ (3,607)
Expenditures:				
Social Security & Medicare	56,431	56,029	59,500	3,471
Unemployment	1,538	238	4,000	3,762
KPERS	59,155	68,081	62,500	(5,581)
Workers Compensation	19,271	20,853	19,500	(1,353)
Health Insurance	156,389	152,742	178,000	25,258
Other	2,492	2,700	4,252	1,552
Total Expenditures	295,276	300,643	\$ 327,752	\$ 27,109
Expenditures Over Cash Receipts	(59,735)	(42,050)		
Unencumbered Cash, Beginning	127,589	67,854	\$ 65,552	\$ 2,302
Unencumbered Cash, Ending	\$ 67,854	\$ 25,804		



**CITY OF ROSE HILL, KANSAS**

**Schedule of Receipts and Expenditures – Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2014**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)**

**LIBRARY FUND**

	Year ended December 31,			Variance favorable (unfavorable)
	2013 Actual	Actual	Budget	
Cash Receipts:				
Property Taxes	\$ 91,870	\$ 91,607	\$ 91,866	\$ (259)
Delinquent Property Taxes	2,075	1,930	0	1,930
Motor Vehicle Taxes	15,675	15,588	15,177	411
Total Cash Receipts	109,620	109,125	<u>\$ 107,043</u>	<u>\$ 2,082</u>
Expenditures:				
Appropriations	106,504	108,198	<u>\$ 108,744</u>	<u>\$ 546</u>
Cash Receipts Over Expenditures	3,116	927		
Unencumbered Cash, Beginning	1,701	4,817	<u>\$ 1,701</u>	<u>\$ 3,116</u>
Unencumbered Cash, Ending	<u>\$ 4,817</u>	<u>\$ 5,744</u>		

**CITY OF ROSE HILL, KANSAS**

**Schedule of Receipts and Expenditures – Actual and Budget**  
**Regulatory Basis**  
**For the Year Ended December 31, 2014**  
**(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)**

**SPECIAL STREETS AND HIGHWAY FUND**

	Year ended December 31,			Variance favorable (unfavorable)
	2013 Actual	2014 Actual	2014 Budget	
Cash Receipts:				
Special Gasoline Tax	\$ 99,030	\$ 101,910	\$ 102,330	\$ (420)
Gasoline Tax - County	19,357	19,878	19,650	228
Miscellaneous	–	101	–	101
Reimbursed Expenditures	1,379	1,979	200	1,779
Transfers from Other Funds	3,064	–	–	–
Total Cash Receipts	<u>122,830</u>	<u>123,868</u>	<u>\$ 122,180</u>	<u>\$ 1,688</u>
Expenditures:				
Personnel Services	61,550	48,586	57,000	8,414
Contractual Services	30,521	34,428	33,360	(1,068)
Commodities	39,899	33,021	35,000	1,979
Capital Outlay	9,328	22,426	15,000	(7,426)
Total Expenditures	<u>141,298</u>	<u>138,461</u>	<u>\$ 140,360</u>	<u>\$ 1,899</u>
Expenditures Over Cash Receipts	(18,468)	(14,593)		
Unencumbered Cash, Beginning	<u>42,023</u>	<u>23,555</u>		
Unencumbered Cash, Ending	<u>\$ 23,555</u>	<u>\$ 8,962</u>		

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures – Actual and Budget****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****SPECIAL PARKS AND RECREATION FUND**

	Year ended December 31,			Variance favorable (unfavorable)
	2013 Actual	Actual	Budget	
Cash Receipts:				
Liquor Tax	\$ 709	\$ 386	\$ 625	\$ (239)
Expenditures:				
Capital Outlay	818	–	\$ 3,000	\$ 3,000
Cash Receipts Over (Under) Expenditures	(109)	386		
Unencumbered Cash, Beginning	6,107	5,998		
Unencumbered Cash, Ending	\$ 5,998	\$ 6,384		

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures – Actual and Budget****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****STREET SALES TAX FUND**

	Year ended December 31,			
	2013 Actual	2014		Variance favorable (unfavorable)
		Actual	Budget	
Cash Receipts:				
Sales Tax	\$ 256,848	\$ 268,598	\$ 250,000	\$ 18,598
Interest Income	—	2,314	1,000	1,314
Transfers from Other Funds	85,005	—	—	—
Total Cash Receipts	341,853	270,912	\$ 251,000	\$ 19,912
Expenditures:				
Capital Outlay	92,526	120,328	100,000	(20,328)
Engineering and Inspection	19,457	3,500	20,000	16,500
Principal Payments	119,802	123,899	124,200	301
Interest Payments	53,383	49,008	52,337	3,329
Fiscal Fees and Commissions	3,070	2,804	3,500	696
Total Expenditures	288,238	299,539	\$ 300,037	\$ 498
Cash Receipts Over (Under) Expenditures	53,615	(28,627)		
Unencumbered Cash, Beginning Cancellation of Prior Year Encumbrances	596,789	659,904		
	9,500	—		
Unencumbered Cash, Ending	\$ 659,904	\$ 631,277		

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****BOND REFUNDING FUND**

	Year ended December 31,	
	2013	2014
Cash Receipts	\$ 47,573	\$ -
Expenditures:		
Contractual Services	34,521	
Transfers to Other Funds	-	13,052
Total Expenditures	34,521	13,052
Cash Receipts Over (Under) Expenditures	13,052	(13,052)
Unencumbered Cash, Beginning	-	13,052
Unencumbered Cash, Ending	\$ 13,052	\$ -

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****EQUIPMENT RESERVE FUND**

	Year ended December 31,	
	<u>2013</u>	<u>2014</u>
Cash Receipts:		
Transfers from Other Funds	\$ 5,000	\$ 5,000
Expenditures:		
Capital Outlay	<u>8,329</u>	<u>522</u>
Cash Receipts Over (Under) Expenditures	(3,329)	4,478
Unencumbered Cash, Beginning	<u>12,021</u>	<u>8,692</u>
Unencumbered Cash, Ending	<u><u>\$ 8,692</u></u>	<u><u>\$ 13,170</u></u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****CAPITAL IMPROVEMENT RESERVE**

	Year ended December 31,	
	<u>2013</u>	<u>2014</u>
Cash Receipts:		
Transfers from Other Funds	\$ 7,500	\$ 7,500
Expenditures:		
Capital Outlay	<u>9,034</u>	<u>14,700</u>
Expenditures Over Cash Receipts	(1,534)	(7,200)
Unencumbered Cash, Beginning	<u>10,448</u>	<u>8,914</u>
Unencumbered Cash, Ending	<u>\$ 8,914</u>	<u>\$ 1,714</u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****VETERANS MEMORIAL FUND**

	Year ended December 31,	
	2013	2014
Cash Receipts:		
Grants	\$ 11,300	\$ -
Transfers from Other Funds	<u>-</u>	<u>2,438</u>
Total Cash Receipts	11,300	2,438
Expenditures:		
Capital Outlay	<u>38</u>	<u>-</u>
Cash Receipts Over Expenditures	11,262	2,438
Unencumbered Cash (Deficit), Beginning	<u>(13,700)</u>	<u>(2,438)</u>
Unencumbered Cash (Deficit), Ending	<u>\$ (2,438)</u>	<u>\$ -</u>



# CITY OF ROSE HILL, KANSAS

## Schedule of Receipts and Expenditures – Actual and Budget Regulatory Basis For the Year Ended December 31, 2014 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

### BOND AND INTEREST FUND

	Year ended December 31,			
	2013 Actual	2014		Variance favorable (unfavorable)
		Actual	Budget	
Cash Receipts:				
Property Taxes	\$ 118,008	\$ 76,129	\$ 76,337	\$ (208)
Delinquent Taxes	3,019	2,462	1,000	1,462
Motor Vehicle Taxes	24,360	20,155	19,493	662
Special Assessments	565,418	562,764	539,577	23,187
Interest Income	2,204	2,006	2,000	6
Transfers from Other Funds	232,000	301,529	282,000	19,529
Total Cash Receipts	945,009	965,045	\$ 920,407	\$ 44,638
Expenditures:				
Principal	675,800	729,800	723,000	(6,800)
Interest	280,520	203,275	255,458	52,183
Contractual Services	645	386	6,662	6,276
Total Expenditures	956,965	933,461	\$ 985,120	\$ 51,659
Cash Receipts Over (Under)				
Expenditures	(11,956)	31,584		
Unencumbered Cash, Beginning	92,782	80,826	\$ 64,713	\$ 16,113
Unencumbered Cash, Ending	\$ 80,826	\$ 112,410		

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****SUNRISE ADDITION**

	Year ended December 31,	
	2013	2014
Cash Receipts	\$ —	\$ —
Expenditures:		
Capital Outlay	4	—
Expenditures Over Cash Receipts	(4)	—
Unencumbered Cash, Beginning	87,968	87,964
Unencumbered Cash, Ending	<u>\$ 87,964</u>	<u>\$ 87,964</u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****BERLIN DRAINAGE PROJECT**

	Year ended December 31,	
	2013	2014
Cash Receipts:		
Grant Proceeds	\$ 8,883	\$ -
Interest Income	89	6
Total Cash Receipts	8,972	6
Expenditures:		
Capital Outlay	36,921	-
Cash Receipts Over (Under) Expenditures	(27,949)	6
Unencumbered Cash, Beginning	31,953	4,004
Unencumbered Cash, Ending	\$ 4,004	\$ 4,010

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****SEWER LIFT UPGRADES**

	Year ended December 31,	
	2013	2014
Cash Receipts	\$ 50,518	\$ -
Expenditures		
Capital Outlay	50,303	-
Cash Receipts Over Expenditures	215	-
Unencumbered Cash, Beginning	-	215
Unencumbered Cash, Ending	<u>\$ 215</u>	<u>\$ 215</u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****CFAP FISHERY GRANT**

	Year ended December 31,	
	2013	2014
Cash Receipts:		
Grant Proceeds	\$ 12,131	\$ —
Transfers From Other Funds	—	3,718
Total Cash Receipts	12,131	3,718
Expenditures:		
Capital Outlay	15,849	—
Cash Receipts Over (Under) Expenditures	(3,718)	3,718
Unencumbered Cash (Deficit), Beginning	—	(3,718)
Unencumbered Cash (Deficit), Ending	\$ (3,718)	\$ —

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****SCHOOL STREET POND BENCH PROJECT**

	Year ended December 31,	
	2013	2014
Cash Receipts	\$ —	\$ 594
Expenditures		
Capital Outlay	—	594
Cash Receipts Over Expenditures	—	—
Unencumbered Cash, Beginning	—	—
Unencumbered Cash, Ending	\$ —	\$ —

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****TANGLEWOOD/ORANGE COURT STREETS**

	Year ended December 31,	
	2013	2014
Cash Receipts:		
Bond Proceeds	\$       —	\$   280,000
Special Assessments	—	10,741
	<u>—</u>	<u>10,741</u>
Total Cash Receipts	<u>—</u>	<u>290,741</u>
Expenditures:		
Capital Outlay	—	284,264
Transfers to Other Funds	—	6,477
	<u>—</u>	<u>6,477</u>
Total Expenditures	<u>—</u>	<u>290,741</u>
Cash Receipts Over Expenditures	—	—
Unencumbered Cash, Beginning	<u>—</u>	<u>—</u>
Unencumbered Cash, Ending	<u>\$       —</u>	<u>\$       —</u>

# CITY OF ROSE HILL, KANSAS

## Schedule of Receipts and Expenditures – Actual and Budget

### Regulatory Basis

For the Year Ended December 31, 2014

(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

### WATER UTILITY FUND

	Year ended December 31,			Variance favorable (unfavorable)
	2013 Actual	Actual	Budget	
Cash Receipts:				
Charges for Services	\$ 751,364	\$ 821,179	\$ 795,000	\$ 26,179
Connection & Setup Fees	13,996	25,990	10,000	15,990
Interest	1,460	1,279	1,000	279
Miscellaneous	6,808	2,363	1,000	1,363
Transfers From Other Funds	3,064	—	—	—
Total Cash Receipts	<u>776,692</u>	<u>850,811</u>	<u>\$ 807,000</u>	<u>\$ 43,811</u>
Expenditures:				
Personnel Services	234,888	278,926	245,800	(33,126)
Contractual Services	120,772	140,993	133,750	(7,243)
Commodities	47,527	43,632	40,300	(3,332)
Capital Outlay	4,703	5,693	12,500	6,807
Water purchases	205,935	242,028	350,000	107,972
Transfers to Other Funds	156,000	181,000	181,000	—
Total Expenditures	<u>769,825</u>	<u>892,272</u>	<u>\$ 963,350</u>	<u>\$ 71,078</u>
Cash Receipts Over (Under) Expenditures	6,867	(41,461)		
Unencumbered Cash, Beginning	<u>400,738</u>	<u>407,605</u>		
Unencumbered Cash, Ending	<u>\$ 407,605</u>	<u>\$ 366,144</u>		



# CITY OF ROSE HILL, KANSAS

## Schedule of Receipts and Expenditures – Actual and Budget Regulatory Basis For the Year Ended December 31, 2014 (With Comparative Actual Totals for the Prior Year Ended December 31, 2013)

### SEWER UTILITY FUND

	Year ended December 31,			Variance favorable (unfavorable)
	2013 Actual	Actual	Budget	
Cash Receipts:				
Charges for Services	\$ 542,079	\$ 548,399	\$ 552,000	\$ (3,601)
Sewer Improvement Fees	488,022	478,763	495,000	(16,237)
Connection Fees	4,000	8,000	5,000	3,000
Interest	3,221	2,437	2,500	(63)
Miscellaneous	–	659	–	659
Reimbursed expenditures	3,063	1,979	1,000	979
Transfers From Other Funds	2,169	–	–	–
Total Cash Receipts	<u>1,042,554</u>	<u>1,040,237</u>	<u>\$ 1,055,500</u>	<u>\$ (15,263)</u>
Expenditures:				
Personnel Services	224,151	263,216	230,050	(33,166)
Contractual Services	120,391	201,063	218,050	16,987
Commodities	107,564	40,411	36,500	(3,911)
Capital Outlay	6,710	9,663	75,000	65,337
Debt Service	494,083	494,084	494,087	3
Transfers to Other Funds	151,000	151,000	151,000	–
Total Expenditures	<u>1,103,899</u>	<u>1,159,437</u>	<u>\$ 1,204,687</u>	<u>\$ 45,250</u>
Expenditures Over Cash Receipts	(61,345)	(119,200)		
Unencumbered Cash, Beginning	<u>910,423</u>	<u>849,078</u>		
Unencumbered Cash, Ending	<u>\$ 849,078</u>	<u>\$ 729,878</u>		

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****WATER RESERVE FUND**

	Year ended December 31,	
	2013	2014
Cash Receipts:		
Transfers From Other Funds	\$           —	\$           —
Expenditures:		
Capital Outlay	15,164	13,774
Expenditures Over Cash Receipts	(15,164)	(13,774)
Unencumbered Cash, Beginning	29,486	114,322
Cancellation of Prior Year Encumbrances	100,000	—
Unencumbered Cash, Ending	<u>\$   114,322</u>	<u>\$   100,548</u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****(With Comparative Actual Totals for the Prior Year Ended December 31, 2013)****SEWER RESERVE FUND**

	Year ended December 31,	
	<u>2013</u>	<u>2014</u>
Cash Receipts:		
Transfers From Other Funds	\$ 75,000	\$ 50,000
Expenditures:		
Capital Outlay	<u>9,525</u>	<u>140,515</u>
Cash Receipts Over (Under) Expenditures	65,475	(90,515)
Unencumbered Cash, Beginning	95,482	198,957
Cancellation of Prior Year Encumbrances	<u>38,000</u>	<u>—</u>
Unencumbered Cash, Ending	<u>\$ 198,957</u>	<u>\$ 108,442</u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****ROSE HILL PUBLIC LIBRARY**

	<u>Actual</u>
Cash Receipts:	
Taxes - distributions from the City of Rose Hill	\$ 108,198
Grants and donations	9,818
Interst	218
Miscellaneous	<u>90</u>
Total Cash Receipts	<u>118,324</u>
Expenditures:	
Personal services	71,526
Contractual services	17,624
Commodities	10,756
Capital outlay	<u>5,594</u>
Total Expenditures	<u>105,500</u>
Cash Receipts Over Expenditures	12,824
Unencumbered Cash, Beginning	<u>81,643</u>
Unencumbered Cash, Ending	<u><u>\$ 94,467</u></u>

**CITY OF ROSE HILL, KANSAS****Schedule of Receipts and Expenditures****Regulatory Basis****For the Year Ended December 31, 2014****ROSE HILL PUBLIC BUILDING COMMISSION**

	<u>Actual</u>
Cash Receipts:	
Lease payments from City	<u>\$ 95,875</u>
Expenditures:	
Principal	75,000
Interest	<u>20,875</u>
Total Expenditures	<u>95,875</u>
Cash Receipts Over Expenditures	—
Unencumbered Cash, Beginning	<u>—</u>
Unencumbered Cash, Ending	<u><u>\$ —</u></u>

**CITY OF ROSE HILL, KANSAS**

**Schedule of Receipts and Disbursement  
Regulatory Basis  
For the Year Ended December 31, 2014**

**AGENCY FUNDS**

	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Payroll Withholding Fund	\$ 9,320	\$ 1,053,181	\$ 1,062,501	\$ -
ADSAP Court Fund	2,015	-	-	2,015
Totals	<u>\$ 11,335</u>	<u>\$ 1,053,181</u>	<u>\$ 1,062,501</u>	<u>\$ 2,015</u>